

Message Text

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FM SECSTATE WASHDC

TO AMEMBASSY SAIGON

INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG

AMCONSUL NHA TRANG

USDEL JEC PARIS

USSAGE NAKHON PHANOM THAILAND

CINCPAC HONOLULU HI

COMCOGARD WASHDC

DEPT OF THE TREASURY

XMT AMEMBASSY SUVA

AMEMBASSY RANGOON

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COGARD FOR POLAD

E.O. 11652: N/A

TAGS: PFOR, XC, US

SUBJECT: JUNE 17 EA PRESS SUMMARY

INDOCHINA

1. SHIPLER (NYT) FROM PP, IN GENERALLY FAVORABLE
ARTICLE, DESCRIBES AMB. DEAN (WHO HAS LOST FIFTEEN
POUNDS IN TEN STRENUOUS WEEKS IN-COUNTRY) AS ACTING
WITH TOUGHNESS AND FINESSE IN PRAGMATIC DIPLOMACY THAT
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"GAINS SOME GROUND." AMB. "CHARGES" AROUND COUNTRY

REPROACHING GENERALS, WOOING OPPOSITION LEADERS AND SEARCHING - SO FAR IN VAIN - FOR INSURGENTS WILLING TO NEGOTIATE. THOSE WHO WATCH HIM OPERATE SEE HIS AIM TO MAKE GKR - WIDELY REGARDED AS CORRUPT, DISORGANIZED AND INEFFECTUAL - STRONG ENOUGH TO WITHSTAND MIL AND ECON PRESSURE FROM INSURGENTS AND SO FORCE THEM TO BARGAIN EVENTUALLY. SHIPLER DESCRIBES DEAN'S FLIGHTS INTO BESIEGED ENCLAVES TO CAJOLE COMMANDERS INTO HOLDING OUT OR ATTACKING, TO KEEP PRESSURE ON ENEMY AND TO STEP UP RECRUITING. AMB. WAS ALLEGEDLY SUCCESSFUL IN PERSUADING GKR TO RETIRE TEN GENERALS FROM TOP-HEAVY COMMAND STRUCTURE; REPORTEDLY POINTS OUT TO GKR OFFICIALS THAT US PROVIDES 600 MILLION DOLLARS IN AID YEARLY AND THAT HIS JOB IS TO SEE THAT IT IS SPENT WELL. HE NOT ONLY PUSHES MILITARY INTO ACTION BUT ALSO APPARENTLY MAKES EFFORT TO ERADICATE

SOME ILLS THAT CONGRESSIONAL LIBERALS CITE AS REASONS WHY US SHOULD NOT SUPPORT LON NOL: GKR OFFICIALS SAY DEAN PERSUADED THEM TO END CENSORSHIP OF OUTGOING FOREIGN PRESS DISPATCHES, AND HE MADE GKR REPAY USG FOR AVIATION FUEL THAT "DISAPPEARED."

DEAN DOES NOT, ACCORDING TO SOME ASSOCIATES, EXPECT TO TRANSFORM GKR INTO MODEL OF EFFICIENCY, BUT REPORTEDLY WANTS TO CREATE IMPRESSION OF REASONABLY STABLE FUNCTIONING GOVERNMENT, BOTH FOR BENEFIT OF CONGRESSMEN WHO VOTE ON AID BILLS AND FOR UN MEMBERS WHO WILL VOTE IN FALL ON WHETHER TO GIVE GKR SEAT TO INSURGENTS. AMB. SAID TO BE "PREACHING" UNITY TO DISSIDENT POLITICIANS AND TRIES TO MAKE CONTACT WITH LEADERS OF OPPOSITION FACTIONS. SHIPLER SAYS THAT LONG-TERM RESIDENTS, INCLUDING SOME FOREIGN DIPLOMATS, "SHAKE THEIR HEADS" AT AMB.'S VIEW THAT PEOPLE AT WAR MUST STICK TOGETHER, AND CHARACTERIZE IT AS JUST "NOT CAMBODIAN." POINTS OUT THAT IN POLITICAL AREA DEAN'S ADVICE HAS APPARENTLY NOT BEEN WELCOME; QUOTES LONG BORET THAT HE TOLD DEAN, "I COULD HANDLE THE POLITICAL SITUATION," WHEN AMB. OFFERED RECOMMENDATIONS ON CURRENT CABINET CRISIS.

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MOST OF PP DIPLOMATIC COMMUNITY CONVINCED OF AMB.'S DEVOTION TO ROLE OF PEACEMAKER.

2. BECKER (WP) FROM PP REPORTS THAT US COMMERCIAL PILOTS ASKED AMEMBASSY TO STOP GKR FROM COMMANDEERING PRIVATE US-REGISTERED PLANES FOR MIL MISSIONS, BUT EMBASSY SAID CANNOT "INTERFERE" IN GKR AFFAIRS. TELLS STORY OF PILOT SHIPMAN OF HENG MEAS AIRLINE, ONE-PLANE

OPERATION LIKE MANY OF THE THIRTY COMMERCIAL COMPANIES STARTED THIS YEAR TO TRANSPORT ESSENTIAL GOODS TO AND FROM PP AFTER ROADS WERE CUT. AFTER SHIPMAN REFUSED TO FLY TROOPS TO KOMPONG CHAM, HE ALLEGES GKR THREATENED TO CUT OFF HIS AVGAS, AND EMBASSY WAS ONLY WILLING TO WRITE LETTER ASKING GKR NOT TO TAKE US-REGISTERED PLANES TO KOMPONG CHAM AND "WE NEED MORE PROTECTION THAN THAT." SHIPMAN, LIKE OTHER US PILOTS, WORRIES BOTH ABOUT DANGER AND ABOUT ILLEGALITY OF AMCITS PARTICIPATING IN FOREIGN WAR. SHIPMAN SAYS COMMERCIAL PILOTS COOPERATE WITH GKR WHEN THEY CAN, BUT COMPLAINS THAT GKR CARGO PLANES OFTEN USED FOR PAYING PASSENGERS AND THEY "PUT THE SQUEEZE" ON COMMERCIAL CARRIERSTO TRANSPORT TROOPS. RECENT CHANGE IS THAT EMBASSY WANTS FULL REPORTS ON AVGAS USE, AND "WELL-INFORMED" DIPLOMATIC SOURCES SEE THIS AS MOVE TO SUPERVISE DOMESTIC CARGO

MOVEMENT AND CONTROL INFLATION BY LIMITING ROLE OF MIDDLEMAN.

3. HEAVY FIGHTING REPORTED AROUND KOMPONG SOM AS REBELS APPARENTLY MOUNT MAJOR OFFENSIVE TO TAKE CITY; MIL SOURCES SAY ATTACK CENTERS AROUND FRENCH-OWNED OIL REFINERY, PUT OUT OF COMMISSION BY HEAVY WEAPONS FIRE, AND THAT AIRPORT CLOSED. COMMANDER OF LARGE GARRISON ON ROUTE 4 SAYS WILL ABANDON POST IF SUPPORTING AIR STRIKES NOT STEPPED-UP, CLAIMS SUFFERED 200 KIA AND 340 WIA OUT OF 4000 DEFENDERS AND 1000 DEPENDENTS (WP).

4. NEW LONG BORET GOVERNMENT ANNOUNCED, BUT INCLUDES NO MEMBERS OF SIRIK MATAK PARTY, CONTRARY TO US ADVICE UNCLASSIFIED

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TO BROADEN GOVERNMENT. CABINET INCLUDES EIGHT FROM LON NOL'S SOCIO-REPUBLICAN PARTY, SEVEN INDEPENDENTS AND TWO MILITARY MEN (WP).

5. BECKER, IN SEPARATE WP ARTICLE, WRITES OF CAMBODIA'S "HERO-JOURNALISTS" -- KHMER PHOTOGRAPHERS WHO CONTINUE TO COVER BATTLES THOUGH MANY WOUNDED. POINTS OUT THAT 50 PERCENT OF WAR COVERAGE COMES FROM THESE ANONYMOUS AP AND UPI FIELD REPORTERS. TELLS STORY OF ADVENTURES AND SOMETIMES LOW PAY OF SEVERAL, SOME OF WHOM WERE TOUR GUIDES IN PRE-WAR DAYS. POINTS OUT THAT US EMBASSY REGARDS STORIES HIGHLY AND SUBSCRIBES TO BOTH AP AND UPI.

6. BURGESS (WP) FROM VIENTIANE REPORTS RUMORS THAT

CIA CONSPIRES WITH RIGHTISTS TO SABOTAGE NEW COALITION. QUOTES NEW PL VICE-PREMIER PHOUMI VONGVICHIT, IN WRITTEN ANSWERS TO EARLIER QUESTIONS, THAT MEETINGS TOOK PLACE IN S AND N LAOS TO "PREPARE SUBVERSION", AND THAT COALITION ONLY IN DANGER IF CIA SUPPORTS RIGHT-WINGERS TO PLOT TROUBLE. VONGVICHIT ADDS THAT NEW GOVERNMENT WILL BEHAVE AMICABLY TOWARD ALL COUNTRIES, ACCEPT UNCONDITIONAL AID FROM ALL, AND SEEK "NEW ORIENTATION" TOWARD INTERNATIONAL POLITICS.

7. KIRK (CHITRIB) IN LENGTHY ARTICLE DESCRIBES HOW GVN OFFICIALS GO ABOUT SELLING FAVORS. CLAIMS IT IS ROUTINE IN EVERY MINISTRY AND AT EVERY LEVEL, AND THAT STAKES RISE FROM TIPS TO MESSENGERS UP TO MINISTERIAL LEVEL. SEES CORRUPTION IN DEFENSE DEPARTMENT AS POSSIBLY SERIOUS FROM IMMEDIATE VIEWPOINT OF MIL SECURITY AND DISCUSSES RECENT THIEU CRACKDOWN

ON DESERTIONS AND ABSENTEEISM. PROBLEM "CLEARLY" BEGINS AT TOP, AND MUCH MONEY MADE FROM PAYROLL FALSIFICATION. ON RECENT FERTILIZER SCANDAL, KIRK QUOTES HIGH-LEVEL VIET SOURCE THAT PROVINCE CHIEFS, USUALLY MILITARY, CONNIVED WITH RELATIVES AND FRIENDS TO HOARD FERTILIZER AND DRIVE PRICES UP, AND THAT SCANDAL EXPOSED PARTIALLY BY HONEST GVN TAX OFFICIAL. KIRK OPINES THAT THIEU WOULD LIKE TO CURB MOST FLAGRANT UNCLASSIFIED

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ABUSES IN FERTILIZER AFFAIR, AND THAT INVESTIGATION NOW UNDERWAY IS EXCEPTION TO USUALAISSEZ-FAIRE" ATTITUDE TOWARD CORRUPTION AND INDICATES NO REAL CHANGE IN OFFICIAL ATTITUDES. KIRK ALSO REVIEWS RECENT SUGAR SCANDAL THAT REACHED TO HIGH ECON MINISTRY LEVELS AND RESULTED IN DEATH AND LIFE-IMPRISONMENT SENTENCES -- THAT WERE NEVER CARRIED OUT BECAUSE DEFENDENTS MANAGED TO "ELUDE ARREST." RATIONALIZATION FOR CORRUPTION IS LOW GVN SALARIES, BUT KIRK HOLDS THAT THIS DOES NOT EXPLAIN "ENORMOUS GREED" OF HIGH OFFICIALS. QUOTES ONE US OFFICIAL THAT AMERICANS "CAN'T COPE WITH CORRUPTION ANYMORE THAN WE CAN COPE WITH" VC.

8. BATTLES CONTINUE EAST AND NORTH OF SAIGON AS MONSOON RAINS INTENSIFY;GVN TROOPS TRY TO DISLODGE COMMUNISTS FROM SIX-MILE STRETCH OF HIGHWAY I ABOUT 50 MILES EAST OF CAPITAL, AND REPORT HEAVY CASUALTIES IN CONTINUING BENCAT FIGHTIG (WP).

CHINA

9. REUTER PEKING REPORTS THAT FOR FIRST TIME IN PEKING WALL POSTER CAMPAIGN, MEMBER OF CCP POLITBURO WAS ATTACKED BY NAME SUNDAY. HUA KUO-FENG OF HUNAN PROVINCE WAS ATTACKED IN POSTER THAT ACCUSED HIM AND HIS DEPUTIES OF REPRESSING MILITANT RADICALS IN HUNAN (WP, NYT).

10. WP'S GREENWAY SAYS NEW POSTER CAMPAIGN APPEARS ATTACK ON CHINA'S MODERATE LEADERSHIP BY LEFTIST LEADERS WHO, IT IS BELIEVED IN HK, ARE TRYING TO IMPROVE THEIR POSITIONS IN ANTICIPATION OF EVENTUAL STRUGGLE FOR SUCCESSION WHEN MAO DIES. REPORTS BELIEF IN HK THAT NEW RASH OF POSTERS IN PEKING AND ELSEWHERE MEANS MASS CAMPAIGN IS ENTERING NEW AND MORE RADICAL PHASE.

JAPAN

11. TOKYO PULP CO. ANNOUNCES JOINT VENTURE WITH PACK RIVER CO. OF SEATTLE FOR 50 MILLION DOL PLANT WITH CAPACITY UNCLASSIFIED

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OF 300 TONS/DAY. COST TO BE EQUALLY SHARED WITH CONSTRUCTION TO START IN LATE '75 OR EARLY '76 (UPL, JOC). MEETING OF INTERNATIONAL WHALING COMMISSION SCHEDULED FOR THIS WEEK. JAPANESE MEMBERS CURRENTLY REFUSE TO ABIDE BY REQUESTS FROM OTHERS FOR MORATORIUM ON WHALE HUNTING (CSM).

12. SOICHI YOKOI, WWII JAPANESE SOLDIER WHO HID ON GUAM 20 YEARS, RUNNING FOR PARLIAMENT (CHITRIB).

PHILIPPINES

13. IN MANILA INTERVIEW WITH SCHANBERG (NYT), MARCOS SAYS HE CONSIDERS IT NECESSARY TO CONTINUE MARTIAL LAW FOR SOME TIME. WHILE CLAIMS TO HAVE NEUTRALIZED DISORDER AND REBELLION WHICH LED TO ITS IMPOSITION, SAYS ECONOMIC, LAND, AND LABOR REFORMS -- "DEMOCRATIZATION OF WEALTH" -- MUST FIRST BE ROOTED FIRMLY. CRITICS -- INCLUDING COMMUNIST INSURGENTS, PROGRESSIVE ELEMENTS IN CATHOLIC CHURCH, AND MEMBERS OF THE OPPOSITION -- CLAIM MARCOS IMPOSED MARTIAL LAW PRIMARILY TO RETAIN POWER. MAINTAIN HIS PROGRAMS TO BREAK UP OLD OLIGARCHIES, REDISTRIBUTE INCOME CALCULATED TO LEAVE HIS FRIENDS UNTOUCHED; MARCOS DENIES CHARGES. SAYS TARGET OF HIS "NEW SOCIETY" POLICIES IS NOT WEALTH, BUT WEALTH USED "TO CORRUPT AND CONTROL POLITICAL POWER." SAYS OLIGARCHS PREVENT EQUAL OPPORTUNITY, FREE EXERCISE OF POLITICAL RIGHTS OF LITTLE MEN. SOME ESTIMATES SAY 90 PERCENT OF WEALTH CONTROLLED BY 5 PERCENT OF POPULATION.

DESPITE MARCOS' CLAIM THAT SOME LIBERALIZATION ALREADY OCCURRED, OTHERS MAINTAIN POLITICAL ARRESTS, HOLDING WITHOUT CHARGES, STILL CONTINUE. ALTHOUGH 20,000 MAY HAVE BEEN JAILED FOR POLITICAL CRIMES, ONLY 4-5,000 STILL REMAIN IN PRISON. BEST KNOWN PRISONERS ARE TWO FORMER SENATORS, LEADERS OF OPPOSITION, AWUINO AND DIOKNO. MARCOS HAS ALLOWED DIOKNO'S CASE FOR WRIT OF HABEAS CORPUS TO GO TO SUPREME COURT, ALTHOUGH HE MAINTAINS FINAL REVIEW OF DECISION.

AUSTRALIA
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14. CAIRNS, MINISTER OF TRADE, SAYS AUSTRALIA VIEWS WITH "DEEP CONCERN" GROWTH OF BARRIERS TO AUSSIE BEEF EXPORTS. SAYS JAPAN'S ACTIONS TO REDUCE HAD, IN EFFECT, SUSPENDED

IMPORTS INDEFINITELY. REPORTS EEC HAS TIGHTENED ALREADY RESTRICTIVE IMPORT RULES, VIRTUALLY EXCLUDING AUSTRALIAN BEEF. POINTS OUT GROWING PRESSURES IN U.S. FOR RESTRICTIONS. SAYS CALLS FOR BARRIERS REFLECT SHORT-TERM DOMESTIC FACTORS, NOT CREATED BY IMPORTS. LONG-TERM INTEREST DEMANDS FINDING WAY TO STABILIZE TRADE, MAKING IT MORE PREDICTABLE, HE SAYS (JOC).

15. EXXON REPORTS EXPLORATORY DRILLING BETWEEN MAINLAND AND TASMANIA RESULTS IN BOOST OF RESERVES THERE BY 50 PERCENT, TO 640 MILLION BARRELS (WSJ).

AUSTRALIA/NEW ZEALAND

16. BRITONS SEEKING TO EMIGRATE TO AUSTRALIA UP 80 PERCENT; APPLICATIONS TO NEW ZEALAND UP 100 PERCENT OVER LAST YEAR. A MATTER OF DEEP CONCERN. NEW ZEALAND RECENTLY INTRODUCED IMMIGRATION CONTROLS DESIGNED TO REDUCE BRITISH APPLICANTS, REQUIRING JOB AND DWELLING BE SECURED BEFORE ANY MOVE. SIMILARLY, GOA SEEKING TO POINT OUT TO BRITONS DIFFICULTIES ENTAILED IN MOVE TO AUSTRALIA (WSJ).

FRENCH A-TEST

17. AUSTRALIAN PM WHITLAM ANNOUNCES APPARENT EXPLOSION OF NUCLEAR DEVICE OVER MURUROA -- THE YEAR'S FIRST TEST. TERMS IT "REGRETTABLE," A "MATTER OF DEEP CONCERN." FEARS RADIOACTIVE FALLOUT OVER AUSTRALIAN TERRITORY. BELIEVED LIKELY TO LODGE FORMAL COMPLAINT WITH FRENCH AMBASSADOR. FRENCH OFFER NO COMMENT ON AUSTRALIAN STATE-

MENT, ALTHOUGH GISCARD D'ESTAING HAS PROMISED THIS
TO BE LAST SERIES OF ATMOSPHERIC TESTS (UPI, NYT;
WP; AP, SUN; REUTERS, NYT).

PACIFIC ISLANDS
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18. REFERENDUM SCHEDULED IN AMERICAN SAMOA TO DETERMINE
IF PEOPLE WISH POPULARLY-ELECTED GOVERNOR AND LT.
GOVERNOR. PRESENTLY UNDER JURISDICTION OF U.S. DEPT.
OF INTERIOR (CSM).

LOS

19. CARACAS CONFERENCE PROMISES TO BE LARGEST INTERNATIONAL
MEETING EVER HELD. MORE THAN 5,000 DELEGATES, REPRESENTING
EVERY COUNTRY EXCEPT NVN AND ROC, EXPECTED TO PARTICIPATE
(CSM).

20. WP'S GEORGE WILSON THINKS IT IMPROBABLE, DESPITE
ACKNOWLEDGED EMERGENCY, THAT LOS CONFERENCE WILL
SUCCEED IN WRITING ACCEPTABLE CONSTITUTION GOVERNING
SEAS, FOR "REALITIES OF OCEAN POLITICS" THREATEN
TO POLARIZE MEETING, WITH BIGGEST OF "HAVE" NATIONS
(US AND SOVIET) LINED UP AGAINST "HAVE NOTS," BACKED
BY PRC. CITES COMPLAINT OF US FISHERMEN THAT LARGE
JAPANESE TRAWLERS TAKE SO MANY FISH THAT HADDOCK
HAVE BEEN VIRTUALLY WIPED OUT ON NEW ENGLAND SHORES
AND YELLOWTAIL FLOUNDER WILL BE GONE WITHIN THREE
YEARS UNLESS US IMPOSES CONTROLS FOR EVERYBODY.

COMMENT AND ANALYSIS

JAPAN

21. NYT'S BRENDAN JONES REPORTS ON PROPOSALS PREPARED
BY COMMITTEE FOR ECONOMIC DEVELOPMENT AND KEIZAI
DOYUKAI (JAPANESE ECONOMIC DEVELOPMENT COMMITTEE) -
BOTH PRIVATE, NONPROFIT RESEARCH GROUPS. IN REPORT
TITLED, "TOWARD A NEW INTERNATIONAL SYSTEM," SWEEPING
CHANGE IN INTERNATIONAL ECONOMIC SYSTEM IS RECOMMENDED
TO ATTAIN MAXIMUM TRADE FREEDOM AND COOPERATION
BY ALL COUNTRIES ON MONETARY, OIL, RESOURCES AND
DEVELOPMENT ISSUES.

IN PREPARING POLICY STATEMENT, RESEARCH GROUPS ALSO
PRODUCED TWO SUBCOMMITTEE PAPERS - ONE AMERICAN AND
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ONE JAPANESE - IN WHICH THEY TOOK LOOK AT EACH OTHER'S SYSTEMS. JAPANESE VIEW OF US IS THE MORE CRITICAL, MAKING SUCH OBSERVATIONS AS: "PROBLEMS OF POVERTY AND INEQUALITY IN INCOME DISTRIBUTION (IN US) HAVE BEEN INTENSIFIED BY THE EMPHASIS OF THE UNITED STATES ON MAINTAINING ITS MILITARY AND POLITICAL SUPREMACY IN THE WORLD. INCREASED MILITARY SPENDING AND FOREIGN AID HAVE LONG BURDENED UNITED STATES TAXPAYERS AND DRAINED INEXCUSABLY NOT ONLY THE FEDERAL TAX REVENUE BUT ALSO THE MEN, MACHINERY AND MONEY IN THE PRIVATE SECTOR THAT COULD HAVE BEEN DIVERTED INTO PRODUCTION OF SOCIALLY USEFUL GOODS AND SERVICES." IT ALSO OBSERVED THAT "BECAUSE OF THE EXISTENCE OF RACIAL PROBLEMS AND THE WIDESPREAD USE OF AUTOMOBILES, URBAN PROBLEMS TEND TO BE QUITE SERIOUS AND TO CONTAIN UNIQUE AMERICAN CHARACTERISTICS." AT ANOTHER POINT IT ASSERTS US HAS DECLINED ECONOMICALLY IN RELATION TO OTHER COUNTRIES, SAYING "BASIC FORCE BEHIND THIS DECLINE AND THE MONETARY INSTABILITY IT HAS BROUGHT WITH IT HAS BEEN THE SLOW GROWTH IN PRODUCTIVITY IN THE UNITED STATES ECONOMY." TAKING BROAD SWEEP OF AMERICAN WAY, GROUP SAYS AMERICAN DOCTRINES OF FREE COMPETITION, LAISSEZ FAIRE AND INDIVIDUALISM "HAVE EVOLVED INTO A DEEP SUSPICION OF PUBLIC LEADERSHIP IN THE ECONOMY, OF PUBLIC-PRIVATE COLLABORATION AND OF COLLABORATION WITHIN THE PRIVATE SECTOR. THUS, JUST AT A TIME WHEN TECHNOLOGICAL DEVELOPMENT HAS MADE SUCH ORGANIZATIONAL CHANGES NECESSARY IN ORDER TO ACCELERATE GROWTH AND PRODUCTIVITY, THE UNITED STATES HAS BEEN UNABLE TO INITIATE THEM OR TO GRASP THEIR SIGNIFICANCE FULLY."

AUSTRALIA

22. NYT SYDNEY SAYS SOME WWII BATTLES ARE BEING FOUGHT AGAIN IN COLUMNS OF AUSTRALIAN NEWSPAPERS AFTER PUBLICATION OF CHARGES ATTRIBUTED TO GEN. MACARTHUR THAT AUSSIE TROOPS LACKED FIGHTING SPIRIT. CHARGES QUOTED BY CHRISTOPHER THORNE, BRITISH AUTHOR AND TEACHER OF INTERNATIONAL RELATIONS AT UNIVERSITY OF SUSSEX, ENGLAND, IN REPORT COMPILED FROM OFFICIAL US AND UK ARCHIVES. HIS REPORT RECENTLY PUBLISHED

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IN SYDNEY MORNING HERALD AND AUSTRALIAN, TOUCHING OFF PROTESTS WITH ITS DISCUSSION OF KOKODA TRAIL CAMPAIGN OF 1942 IN NEW GUINEA.

23. LAT'S LAMB (JUNE 14) IN BRISBANE DESCRIBES SPIRIT AND CHARACTER OF QUEENSLAND. SAYS IS "SEPARATE ENTITY, A TROPICAL HAVEN BRIMMING WITH CIVILITY AND INFORMALITY THAT INTENDS TO SHARE ITS TREASURES WITH NO ONE, PARTICULARLY NOT WITH THE FEDERAL GOVERNMENT. AS AUSTRALIA MOVES LEFT POLITICALLY, QUEENSLAND LOOKS INWARD. AS AUSTRALIA PONDERES MORE LIBERAL SOLUTIONS TO SOCIAL ISSUES, QUEENSLAND PULLS TIGHTER ITS CLOAK OF RURAL CONSERVATISM. IT IS AUSTRALIA'S LAST BASTION OF PRISTINE TRADITIONS AND 19TH-CENTURY ETHICS."

HONG KONG

24. REUTER HK REPORTS ON POPULATION PROBLEM IN COLONY. AT BEGINNING 1974, OFFICIALLY ESTIMATED AT 4,219,300 IN JUST OVER 400 SQUARE MILES OF LAND -- INCREASE OF 155,000 OVER EQUIVALENT POPULATION ESTIMATE LAST YEAR. SINCE MORE THAN 90 PERCENT OF POPULATION

LIVES IN LESS THAN TEN PERCENT OF LIMITED SPACE, THIS MEANS POPULATION DENSITY IS AROUND 100,000 PEOPLE PER SQUARE MILE. NATURAL RATE OF INCREASE HAS DROPPED FROM 27.5 PER THOUSAND TEN YEARS AGO TO 14.7 PER THOUSAND IN 1973; LIVE BIRTHS ALSO DROPPED FROM 114,550 IN 1963 TO 82,252 LAST YEAR.

BUT THERE WERE MORE THAN 70,000 LEGAL IMMIGRANTS DURING 1973 FROM CHINA. OFFICIAL FIGURES SHOW THAT NEARLY 15,000 LEGAL IMMIGRANTS ARRIVED IN FIRST 5 MONTHS OF 1974. WHILE THIS IS ONLY HALF RATE OF LAST YEAR'S INFLOW, IT STILL MEANS COLONY HAS TO PROVIDE FOOD AND SHELTER FOR EXTRA 100 PERSONS PER DAY. ADDING TO PROBLEM ARE OVER 1,000 ILLEGAL IMMIGRANTS WHO HAVE SNEAKED IN ALREADY THIS YEAR. HIGHEST FIGURE PROJECTED BY GOVT. FOR 1991 POPULATION IS MASSIVE 6.34 MILLION. IF FIGURE REACHED, GOVT. MUST SPEND EXTRA 900 MILLION DOLS IN NEW TOWN UNCLASSIFIED

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DEVELOPMENT, ACCORDING ENVIRONMENT SECRETARY JAMES ROBSON AT FAMILY PLANNING ASSOCIATION-ORGANIZED SEMINAR. IN RECENT SPEECH INAUGURATING COLONY'S PROGRAM FOR WORLD POPULATION YEAR, HK GOVERNOR SAYS HK'S PLANS FOR MAKING GOOD IN THIS DECADE SOME DEFICIENCIES OF LIFE THAT RAPID POPULATION INCREASE HAS PRODUCED COULD BE FRUSTRATED BY NEW EXCESSIVE GROWTH IN POPULATION, WHETHER BY IMMIGRATION OR NATURAL INCREASE.

25. UPI HK HAS FEATURE ITEM ON COLONY -- "RULED BY BRITAIN

AND TOLERATED BY A CHINESE COMMUNIST GOVERNMENT THAT
COULD TAKE IT WITH EASE." CITY EXISTS WITH PRC'S TACIT
CONSENT. NO THREAT TO PEKING, AND CHINA PROFITS BY
SELLING THRIVING HK DAILY NECESSITIES OF LIFE. TINY
BRITISH MILITARY FORCE "SHOWS THE FLAG" IN HARBOR, "BUT
THERE PROBABLY WOULD BE NO SHOOTING IF THE CHINESE CHOSE
TO MARCH IN. AT THIS STAGE OF HISTORY, THEY DON'T."
ALTOGETHER, 504 US COMPANIES DOING BUSINESS IN HK,
ACCORDING APRIL SURVEY BY AMERICAN CHAMBER OF COMMERCE
THERE, AND FOR 286 OF THEM, HK IS REGIONAL HQS, MANAGING
ALL OR PART OF THEIR OPERATIONS IN OTHER ASIAN COUNTRIES.
DESPITE FIERCE RISE IN LIVING AND OPERATING COSTS IN
RECENT YEARS, COLONY'S DRAWING POWER REMAINS STRONG, AND
ATTRACTIONS ARE ENORMOUS. HK IS UNINHIBITED CENTER OF
PRIVATE ENTERPRISE; IT IS FREE MARKET FOR CURRENCY, WITH
NO RESTRICTIONS ON MOVEMENT OF MONEY. HK CAN BE CONFINING.
THERE IS NO PLEASURE TRAVEL INTO PRC. ANNUAL 4-WEEK LEAVES
TO US, OR EXECUTIVE'S HOME COUNTRY, ARE BECOMING NORM
(PHINQ). SISCO

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